NOTICE

TO SERVICE PROVIDERS WITH CUSTOMERS IN HARRODSBURG INDEPENDENT SCHOOL DISTRICT

SUBJECT: Harrodsburg Ind. (Kentucky) School District Merger—UGRLT

Effective July 1, 2006, the Harrodsburg Independent School District will merge with the Mercer County School District. Both districts impose the Utility Gross Receipts License Tax (UGRLT) on utility services, cable services and direct broadcast satellite (DBS) services at the rate of 3 percent. This merger does not affect receipts collected and allocated from customers in the Burgin Independent School District.

Gross receipts from services provided in the former Harrodsburg Independent School District remain subject to the UGRLT. However, the receipts must be allocated to the Mercer County School District for any returns (regardless of the tax period) filed on or after July 1, 2006.

Returns filed through the UGRLT System will no longer permit allocation of these receipts to the Harrodsburg Independent School District (#242). Providers should select the Mercer County School District (#421) from the drop down list to allocate these receipts.

Computer services should be updated to reflect this change effective July 1, 2006, to ensure no disruption of funds to the Mercer County School District.

If you have any questions or require assistance in this conversion, please contact the Financial Tax Section at (502) 564-4810.